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ABSTRACT

This curriculum guide consists of materials for high school vocational agriculture instructors to use in teaching a course in the law and agriculture. Addressed in the individual units of the guide are the following topics: the purpose of the law in our society, the judicial system, contract law, torts, ownership of land, and water rights. Each unit contains some or all of the following: instructional text, study questions, suggested learning activities, a unit quiz, a quiz answer sheet, transparency masters, handouts, and sample legal forms and documents. A four-item bibliography and glossary are also provided. Concluding the guide are a final exam and exam answer sheet. (MN)

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LAW AND AGRICULTURE IN WASHINGTON STATE

A Curriculum Guide

by

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1984

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LAW AND AGRICULURE

IN

WASHINGTON STATE

FINAL REPORT

Project No. 84-ATJ(186)NB

Curriculum Development Project
Conducted Under Public Law 94-482

Joseph G. Cvancara
Gary M. Parkert
Washington State University
Pullman, Washington

1984

Research Coordinating Unit
WASHINGTON STATE COMMISSION FOR VOCATIONAL EDUCATION
OLYMPIA, WASHINGTON 98504

PREFACE

The Law and Agriculture Curriculum Guide was developed to assist teachers of Agriculture to understand some of the basic concepts of law as it deals with agriculture.

The guide outlines many topics which are of interest and importance to individuals involved in the Agricultural Industry. For specific problems it is necessary to consult an attorney for competent and up to date legal advice.

Gary Parkert has developed an excellent curriculum guide which along with the book Washington Agricultural Laws and other reference materials, will enable teachers to provide instruction to their students about Law and Agriculture.

This guide is designed for use by Vocational Agriculture Instructors in Advanced high school classes. It is developed to acquaint students with legal situations they may encounter in the agricultural industry. It is recommended that individuals in the legal profession be invited to speak to agricultural classes to provide additional information that will benefit the students.

J.C.

ACKNOWLEDGMENTS

This document was made possible by a grant from the Commission for Vocational Education, Olympia to Washington State University. The purpose of the grant was to develop curriculum materials for agricultural instructors in Washington.

Special recognition is given to Mr. Gary Parkert who developed the "Guide on Law and Agriculture in Washington State," as part of his Master's Degree in Vocational Technical Education at Washington State University.

Appreciation is also extended to the following members of the Curriculum Advisory Committee who made valuable suggestions and reviewed portions of the manual:

Mr. Gene Forrester, Program Director for Vocational Agriculture Education, Olympia

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Mr. Danny Coyne, Executive Director, Washington State Dairymen's Association, Olympia

Special thanks to Mrs. William Symons for the layout and typing of the manuscript.

J.C.

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LAW AND AGRICULTURE
IN WASHINGTON STATE
INTRODUCTION
UNIT I

I. The purpose of law in our society

A. Prevent disputes

1. Provides guidelines for people to live by and to conduct business by.

B. Settle disputes

1. Provides consistency and equality in deciding who is right and who is at fault.

II. The importance of understanding the law

A. To plan effectively to avoid legal problems

1. To conduct business and other activities that are consistent with the law.

B. To aid in deciding if professional legal advice is needed.

1. Knowing when to seek legal counsel and save money by avoiding legal disputes.

III. The primary sources of the principles of law

A. State and federal constitutions

B. State and federal statutes

1. Laws established to guide activities controlled by the states or federal government.

C. Common law

1. The rules people within society generally accept as right and live by.

D. Administrative rules and regulations

1. Guidelines which provide for the function of governmental agencies such as the Washington Administrative Code (WAC).

IV. Common Law

A. The generally accepted rules of society.

1. Generally accepted patterns of behavior with a society.

2. (example): It is generally accepted by members of our society that it is not right or lawful to take another persons property without paying for it in some way.

B. Common law often arises from court interpretations of basic legal principles.

1. As times change the law changes because of the way people use the law or their needs change.

C. Much of our common law dates back to old English court decisions handed down hundreds of years ago.

1. Many of our legal principles are much the same today as they were many years ago.

2. (example): It has always been unacceptable behavior to commit murder in our society. Even so, killing in self defense was justifiable then as it is today. If the murder was planned in advance and willfully carried out, the punishment is and was more severe than murder committed in an emotionally charged situation or in causing the accidental death of another.

D. The courts interpretation of the basic legal principles often sets a "precedent" which may be followed by courts in settling future disputes of similar nature. Provide consistency to the law.

1. Precedents are court decisions of the past which guide the courts in making decisions today.

2. One can plan their business or other activities if they are aware of the way courts have settled disputes in the past.

3. (example): If an owner of cattle realizes by past court decisions that he may be held liable for the actions of his bull should it find its way into his neighbors field of

heifers, he may take special care to effectively restrain his bull.

E. The law evolves with society to meet the needs of society as those needs change.

1. Society views things differently today than it did in the past.

2. (example): Cattle rustling (stealing) in the west in the 1800's was often punishable by death. Today the problem still exists but the punishment is less severe. Some may argue that they are not severe enough but the law tends to reflect the way the majority of people in a society feel.

LAW AND AGRICULTURE
IN WASHINGTON STATE
INTRODUCTION
STUDY QUESTIONS
UNIT I

1. Explain the purpose of law.
2. Why is it so important to have a basic understanding of the law?
3. How do the principles of law become established?
4. (a) What is common law? (b) How did it come into being?
5. What role does society play in the establishment of law?
6. From your own observations and experience list some things you feel would fall under the heading of common law.

LAW AND AGRICULTURE
IN WASHINGTON STATE
INTRODUCTION
UNIT I

SUGGESTED LEARNING ACTIVITIES

1. Have students find newspapers and magazine articles which illustrate the law and how it functions in our society and discuss some in class.
2. Obtain copies of parts of the Washington Administrative code and discuss these in class.
3. Invite an attorney to speak on the origin of common law and how precedents set by previous court decisions affect the interpretations of the law.

LAW AND AGRICULTURE
IN WASHINGTON STATE
INTRODUCTION
UNIT 1
QUIZ

1. Explain what it means for a court decision to set a precedent.

2. List 3 of the 4 primary sources of laws and legal principles.

3. List the 2 primary purposes for law in our society.

4. A. What do the initials "W.A.C." refer to in our state?

5. List 4 examples of "Common Law" principles in our society.

LAW AND AGRICULTURE
IN WASHINGTON STATE
INTRODUCTION
UNIT 1
QUIZ ANSWER SHEET

1. When a court sets a precedent it makes a decision which will be used to guide the settlement of disputes in future cases and in other courts. Often it involves making decisions in new areas of law or it reflects a change in the views of society.

2. State and Federal Constitutions, State and Federal statutes, Common Law, and Administrative Rules and Regulations.

3. Laws exist in a society to prevent disputes and to settle disputes.

4. W.A.C. refers to the Washington Administrative Code which serves as a list of regulations guiding the operation of governmental agencies and granting them authority.

5. Common Law is the generally accepted rules of society. Such basic laws such as those against robbery, murder, destruction of the property of others, rape, extortion, etc. are examples of common law.

LAW AND AGRICULTURE
IN WASHINGTON STATE
THE JUDICIAL SYSTEM
UNIT II

I. The levels of the court system

A. Federal court system

1. District Courts

2. Circuit Courts of Appeal

3. United States Supreme Court

B. Washington court system

1. Justice Courts and lesser courts such as small claims and traffic courts

2. Superior Court

3. Court of Appeals

4. State Supreme Court

II. The functions of the courts

A. State courts

1. Justice court

a. Handles small claims, traffic violations, etc.

b. It is not a court of record as no record of testimony is kept only a record of subject and court action.

2. Superior Court

   a. Hears cases "in equity," those involving injunctions, restraint orders, performance of an act, or cases not classified as being at law.

   b. Hears cases "at law," those involving recovery of property or payment of money damages.

   c. Felony criminal cases

   d. Lawsuits involving nuisance where one person interferes with the rights of another to enjoy their property.

   e. Matters of probate which occur when the property of a deceased person is disseminated to the heirs.

   f. Divorce proceedings

   g. Marriage annulment or cancellation

   h. Appeals from the justice court for a new trial without review of the justice court proceedings. This is "de novo" appeal.

3. Court of Appeals

   a. Consists of 3 divisions based at Tacoma, Seattle, and Spokane.

b. Receives all appeals from superior court <u>except</u>:

1) Cases of "quo warranto" where the court stops some authority from exercising powers they do not have.

2) Cases requiring a court ordered injunction stopping some action from occurring.

3) Cases of mandamus where a judge of a higher court orders the judge of a lower court to take some action.

4) Criminal cases involving the death penalty

5) Cases questioning the constitutionality (state or federal) of some treaty, law, or tax.

6) Cases of public importance requiring quick action such as a ruling allowing pesticides to be sprayed to stop the spread of a serious pest.

7) Cases involving conflicting decisions between panels of the court.

c. The above cases appeal directly to the state supreme court.

4. State Supreme Court

a. The highest court in Washington

b. Consists of 9 justices

c. Makes the final ruling on matters of state law

B. Federal Courts

1. District courts

a. They are the trial courts of the federal court system.

b. They hear cases involving interpretation of federal law and constitutionality.

c. They hear cases involving residents of different states and large sums of money.

d. Two exist in Washington - one for the east side in Spokane and one for the west side in Seattle.

2. Circuit Courts of Appeal

a. Handles appeals from the district courts

b. The Ninth Circuit Court has jurisdiction over Washington

3. United States Supreme Court

a. The highest court in the nation

b. It makes the final decision on matters of federal law and constitutionality.

III. General types of court actions and terminology

A. Civil suits

1. One of the two types of court proceedings

2. Hears suits between 2 or more individuals or 2 or more parties

3. May hear suits "at law" or suits "in equity"

B. Criminal actions

1. This suit may only be brought by a government against a person charged with a crime.

2. A person may not be prosecuted civilly and criminally in the same law suit.

C. Jurisdiction

1. The geographical region a court has control over (venue)

2. The subject or type of cases the court has control over

3. The type of persons or type of property the court has control over

D. Venue

1. A geographical area presided over by a particular court

2. To change venue is to change the location of a court proceeding from one geographical region to another.

3. A change in venue is often requested if there is doubt a fair trial could be had in a certain area because of pretrial publicity in an emotionally charged situation

E. Juries

1. Petit jury

2. Consists of twelve people

3. These people must be of sound mind and literate in the English language

4. To be selected for a jury a person must be impartial to the case.

5. The function is to determine the facts in a case and render a verdict or decision on that basis.

F. Grand Jury

1. Consists of 12 - 17 people

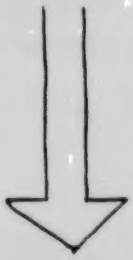
2. Its purpose is to investigate and decide whether enough evidence exists to warrant a trial by a petit jury.

3. Grand juries do not decide guilt or innocence, they only return indictments if warranted.

4. They are selected in the same manner as a petit jury.

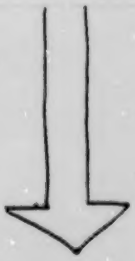
THE WASHINGTON COURT SYSTEM

JUSTICE AND LESSER COURTS



SUPERIOR COURT

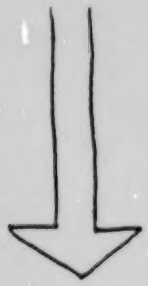
COURT OF APPEALS



STATE SUPREME COURT

THE FEDERAL COURT SYSTEM

DISTRICT COURTS



CIRCUIT COURTS OF APPEAL

U.S. SUPREME COURT

LAW AND AGRICULTURE
IN WASHINGTON STATE
THE JUDICIAL SYSTEM
STUDY QUESTIONS
UNIT II

1. List the courts in the Washington court system
2. List the courts in the Federal court system
3. Define: "Civil" law suits
4. Define: "Criminal" law suits
5. Define: Jurisdiction
6. Define: Venue
7. (a) How big is a petit jury? (b) What part do they play in a trial?
8. (a) What is the job of a grand jury? (b) How many people are on a grand jury?
9. From your own understanding of these principles develop an example to demonstrate each of the following:
   a. a civil law suit
   b. a change of venue
   c. a case "in equity"
   d. a case "at law"

LAW AND AGRICULTURE
IN WASHINGTON STATE
THE JUDICIAL SYSTEM
UNIT II

SUGGESTED LEARNING ACTIVITIES

1. Invite a judge to speak on the structure and function of the court system.
2. Invite a federal marshal to speak about the enforcement of federal law.
3. Ask students to interview community people who have served on juries and report these experiences to the class.
4. Have students find newspaper and magazine articles relating to the legal process and discuss them in class.
5. Have students observe actual trials and report on their experience.

LAW AND AGRICULTURE
IN WASHINGTON STATE
THE JUDICIAL SYSTEM
UNIT II

1. Explain what type of cases are handled in Justice Courts.

2. Explain the difference between cases "in equity" and cases "at law."

3. Where are the 3 Courts of Appeal located in the state of Washington?

4. Which federal courts have jurisdiction in our state?

5. A change of location of a trial from one area to another is called _____.

UNIT II
Quiz Answer Sheet

1. Justice Courts handle small claims, traffic violations, etc. It is not a court of record so no record of testimony is kept.

2. Cases "in equity" include those involving injunctions, restraining orders, performance of an act (as in a contract), or cases not classified as being "at law."

   Cases "at law" include those involving recovery of property and payment of monetary damages.

3. The three Courts of Appeal in our state are located in Tacoma, Seattle, and Spokane.

4. The federal courts with jurisdiction in our state are the Federal District Courts (one in Spokane for Eastern Washington and one in Seattle for Western Washington), the Ninth Circuit Court of Appeal, and the U. S. Supreme Court.

5. A change of venue.

LAW AND AGRICULTURE
IN WASHINGTON STATE
CONTRACT LAW
UNIT III

Farmers enter into many different types of contracts every year. All business people and individuals alike enter into contracts on a regular basis. They are so common that very little thought is given to their existence until a problem arises. Then the responsibilities of each party in a contract become very important. A contract must have five essential elements for it to be valid.

1. The 5 essential elements of a contract
    - A. Competent parties
        1. A person must be above the age of 18 or be of legal age.
        2. A person must have the mental capacity to exercise good judgment.
        3. (example): It would not be legal to enter into a contract with a minor or a person who is mentally incompetent.
    - B. Legal or proper subject matter
        1. The performance required in the contract must be legal.
        2. The agreement must be legal.

3. The contract must be proper and not contradict public policy as far as its subject matter or performance.

4. (example): You cannot go to court to force a person to commit a crime or immoral act because of a contract obligating such action.

C. An offer must exist

1. A promise to do some act

2. A promise not to do some act

3. A promise to do some act in return for another act

4. (example): I promise to pay you $100 for baling my hay.

5. (example): I promise to pay you $200 for not taking down your fence.

6. (example): I will bale your hay if you will harrow my field.

D. The acceptance of an offer must exist

1. One party must agree to the terms offered by another party

2. (example): Just because your neighbor offers to buy your tractor does not mean you have to sell it to him.

E. Consideration must be made

1. That which is given in exchange for a promise
2. That which is given or received must have some value
3. Both parties must benefit from the terms of the agreement and both must give up something
4. (example): Bill promises to pay $200 each for 10 prize Dorset ewes. Steve agrees to sell 10 prize Dorset ewes for $200 each. Each party has agreed to give up something and both are receiving something in the terms of the contract.

II. Written contracts versus oral contracts

A. Requirements for the existence of a written contract

1. Written contracts are required in many instances to prevent fraud.
   a. Contracts which take over one year to fulfill
   b. Contracts involving the sale of real estate
   c. Contracts involving the sale of items in excess of $500 in value
   d. A promise to be responsible for the performance of a contract defaulted on by another

e. Real estate leases which are on a year to year basis

f. A contract authorizing an agent to buy or sell real estate for another

g. Prenuptial agreements

h. Most contracts involving the sale of securities

i. Contracts for the sale of items of personal property not covered under the uniform commercial code with a value of over $5000

B. Under many circumstances an oral contract is as binding as a written contract.

1. It often is very difficult to prove the existence of an oral contract.

2. If an oral contract can be proven to exist it is often very difficult to prove the exact terms of the contract.

3. A written contract voids any oral contract which may have existed beforehand.

III. Problems that occur in fulfilling the terms of a contract

A. Impossibility of performance

1. When the contract requires the existence of something that no longer exists through no fault of either party.

2. (example): Jeff agrees to sell a combine to Al but before the sale takes place a fire destroys the combine. If neither party is to blame for the fire the contract becomes nullified.

B. Substantial performance

1. When the contract is fulfilled for all practical purposes further performance is not required

2. An incomplete but adequate performance of the contract exists.

3. (example): Wayne is contracted to paint your barn with brand Q paint. Brand Q paint is not available so he uses the same quality of brand W paint. Substantial performance of the contract has occurred.

IV. Implied Contracts

A. Contracts "Implied in Fact"

1. If you knowingly allow a person to perform a service for you and you know that compensation is expected for that service the court will imply the existence of a contract under the assumption that the service was performed in good faith.

2. (example): A roofing contractor has a contract to put a new roof on your neighbors barn. His crew mistakenly puts the roof on your barn instead. You let them do so as you need a new roof and think this is a way to get one free. The court would probably imply the existence of a contract "in fact" as you knowingly allowed the roof to be installed and as such you would be required to pay for the roof just as if a written contract did exist.

B. Contract implied in Law

1. A person unknowingly performs a service for the wrong party expecting to be paid for his work but the party receiving the service is not present to stop the service from being performed.
2. The court may feel that the party receiving the service should not be "unjustly enriched" by the mistake of another and may rule the existence of a contract "implied in law."
3. It is generally viewed as unfair to the party receiving the service to be held responsible to pay for something they did not request but

they till have received the service so some payment is due.

4. As a result a payment equal to the increase of property value is usually granted to the contractor. Often this is the value of material excluding labor costs.

5. (example): ACME asphalt mistakenly paves your driveway when they should have done your neighbors. Since you were gone to a Land Bank stock holders meeting you were not home to stop the contractor from making the mistake. Since the contractor did a nice job and acted in good faith, it is not fair that you should be "unjustly enriched" by this occurrence at the expense of the contractor. Since your property has been improved by this act you will probably be held responsible to pay for the cost of materials. By the same token the contractor should not profit from his mistakc but should not be held totally responsible since he acted in good faith.

V. Breach of Contract

A. Two solutions exist

1. Law suit for damages

a. One party sues the other party for money lost as a result of the contract not being fulfilled

2. Lawsuit to force "specific performance"

a. One party refuses to fulfill their part of the contract. Suit is brought by the other party to force the fulfillment of the contract by court order.

VI. Contract Rescission

A. Cancellation of a contract is generally brought about by one of two situations.

1. Fraud

a. Deception knowingly occurs by one party to a contract

2. Misrepresentation of fact

a. One party knowingly leads another to entire them to enter into a contract

b. One party negligently misleads another party which entices them to enter into a contract.

B. Misrepresentation of value

1. This only occurs when it can be shown that the buyer relies upon the sellers statement of value.

2. When the seller has previous knowledge of the lack of value

3. The seller knowingly represents the presence of extraordinary value when in reality there is none

VII. New Contracts

A. Novation

1. Substituting a new contract for an old one

2. The most recent contract supersedes the previous contract

B. Written contracts supersede oral contracts

1. A written contract replaces any previously existing oral contract

2. For this reason be sure the written contract includes all aspects of the oral agreement.

The Five Essential Elements of a Contract

1. Competent Parties

2. Legal or Proper Subject Matter

3. An Offer

4. Acceptance of an Offer

5. Consideration

PACKAGED SYSTEM

UCC 8Z
(REV. 12/72

CONDITIONAL SALE CONTRACT AND SECURITY AGREEMENT MOTOR VEHICL

I ersigned seller, _____, hereby sell:
a ndersigned buyer, _____, hereby buy:
on the terms and conditions below and on the reverse side hereof, the following described motor vehicle, (hereinafter called "purchased property") deliver and acceptance of which in good order is hereby acknowledged by Buyer; and Buyer (as debtor) acknowledges that Seller (as Secured Party) has retained an taken a security interest therein and in the other property described herein (all of which is hereinafter collectively called the "property"). This property will secur other and future indebtedness of buyer to seller or assignee. Regardless of any other existing agreement with Seller or Assignee, this indebtedness will not b secured except as herein indicated.

PURCHASED OR OTHER PROPERTY

MODEL YEAR	MAKE OF CAR	BODY TYPE — IF TRUCK STATE TONNAGE	IDENTIFICATION NUMBER	STATE LICENSE NO.	NEW OR USED	NO. OF CYLS.

Including the following equipment marked X:
☐ Auto. Trans. ☐ Radio ☐ Power Steering ☐ Power Brakes ☐ Power Windows ☐ Power Seats ☐ Air Conditioning ☐ Other - Describe

DESCRIBE VEHICLE TRADED-IN	YEAR	MAKE	MODEL	ALLOWANCE	NET PAY OFF	OWED TO

INSURANCE

THE FOLLOWING COSTS OF INSURANCE ARE THE COSTS IF OBTAINED BY SELLER. **BUYER MAY CHOOSE THE PERSON THROUGH WHICH INSURANCE IS TO BE OBTAINED —**

COVERAGE (SELLER TO ORDER)	TERM MOS.	PREMIUM
COMPREHENSIVE - (including fire and theft) actual cash value of loss.		
C ISION - (actual cash value of loss deductible)		$
S SINGLE INTEREST (does not cover interest of buyer)		$
OTHER INSURANCE (describe fully)		

☐ SELLER TO ORDER
Ages of all drivers _____
Symbol used _____
Territory _____
Class _____

☐ BUYER TO PROVIDE
Agent _____
Company _____
Coverage _____
Exp. Date _____

Warning: Unless a description of coverage and a charge is included above under "OTHER INSURANCE", NO insurance for bodily injury liability, public liability, or property damage liability is to be provided by this agreement.

THE FOLLOWING INSURANCE IS NOT REQUIRED BY SELLER

COVERAGE (SELLER TO ORDER)	TERM MOS.	PREMIUM
BUYERS LIFE (Limited to unpaid balance at time of death)		$
BUYERS DISABILITY (Limited to payments during disability)		$

I desire to purchase through seller the buyer's life or buyer's disability insurance for which the premium costs have been set forth above.

DATE _____ X _____ SIGNATURE

PRICE OF VEHICLE $ _____ (excludes license & title fees)	
Sales Tax $ _____	
a. CASH PRICE	$
Cash down Payment $ _____	
Trade-In $ _____	
b. TOTAL DOWN PAYMENT	$
c. UNPAID BALANCE OF CASH PRICE	$
d. TOTAL COST OF INSURANCE	$
Filing Fees $ _____	
Title, License and Excise Tax $ _____	
e. TOTAL OFFICIAL FEES	$
f. UNPAID BALANCE AND AMOUNT FINANCED (sum of c, d, & e)	$
g. **FINANCE CHARGE** (expressed in dollar amount)	$
h. TOTAL OF PAYMENTS AND TIME BALANCE DUE (sum of f & g)	$
ANNUAL PERCENTAGE RATE	%
DEFERRED PAYMENT PRICE (sum of b & h)	$

BEST COPY AVAILABLE

THE TIME BALANCE, which buyer agrees to pay Seller at its office, or assignee at its office, is payable in _____ installment payments of $ _____ on _____, 19 ____, _____, and _____ equal successive monthly installments of $ _____ on _____, 19 ____, and continuing on the same day of each month thereafter, the final payment constituting the unpaid time balance on this contract, OR per the following schedule.

$ _____ on _____; $ _____ on _____; $ _____ on _____
$ _____ on _____; $ _____ on _____; $ _____ on _____
$ _____ on _____; $ _____ on _____; $ _____ on _____
$ _____ on _____; $ _____ on _____; $ _____ on _____

Prepayment Credit

In the event of prepayment, you may receive a rebate of the unearned finance charge in the form of credit toward the unpaid balance. The unearned finance charge is computed in accordance with the "Rule of 78th", except that a minimum finance charge will be made in accordance with the following schedule if the earned finance charge is less than the minimum charges permitted: where the unpaid principal balance is $250 or less, $15; $250 to $500, $25; $500 to $1,000, $37.50; over $1,000, $50. In the event the unearned finance charge is less than $1.00, no rebate credit will be given.

Late Charge

If any payment required to be made hereunder has not been made in full within 10 days of its due date, buyer agrees to pay an additional charge in the amount of 5% of the delinquent payment, or $_____, whichever is greater. Failure to make any payment when due is a default hereunder, and in the event of any default the entire balance unpaid may at the option of the seller become immediately due and payable.

NOTICE TO BUYER

THE TERMS AND CONDITIONS APPEARING ON THE BACK HEREOF ARE PART OF THIS AGREEMENT.

(a) Do not sign this Contract before you read it or if any spaces intended for the agreed terms, except as to unavailable information, are blank. (b) You are entitled to a copy of this Contract at the time you sign it. (c) You may at any time pay off the full unpaid balance due under this contract and in so doing you may receive a partial rebate of the service charge. (d) The service charge does not exceed 12% per annum computed monthly and may not lawfully exceed twelve percent per annum computed monthly. (e) You may cancel this contract if it is solicited in person, and you sign it, at a place other than the seller's business address shown on the contract, by sending notice of such cancellation by certified mail return receipt requested to the seller at his address shown on the contract which notice shall be posted not later than midnight of the third day (excluding Sundays and holidays) following your signing this contract. If you choose to cancel this contract, you must return or make available to the seller at the place of delivery any merchandise, in its original condition, received by you under this contract.

Executed at _____, Wash., on _____, 19 ____

BUYER ACKNOWLEDGES THE RECEIPT OF A COPY OF THIS CONTRACT

Seller _____

Signature of Buyer _____

By _____

Address _____

CITY COUNTY STATE ZIP CODE

WR ... 87 (REV. 12/72) W PRINTING COMPANY

BANK OR CREDITOR COPY

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TERMS AND CONDITIONS

TITLE RETENTION—OBLIGATION TO MAKE PAYMENTS. Title to the purchased property shall not pass to Buyer until all payments hereunder and all other charges required to be paid by the Buyer hereunder, including late and collection charges, if any, and all other indebtedness from Buyer to Seller, are fully paid. No transfer, renewal, extension or assignment of any interest under this contract, and no loss or destruction of said property shall release the Buyer from his obligation hereunder.

2. LIENS AND TITLE CERTIFICATES, AND SALE OF PROPERTY, POWER OF ATTORNEY. Buyer will not create nor permit the existence of a lien or security interest other than that created hereby on the property, nor sell or transfer any interest in the contract or said property without the prior written consent of Seller. Buyer will deliver or cause to be delivered to Seller any certificate of title now or hereafter existing on the property which certificate shall recite the interest of the Seller. Buyer grants to Seller and Seller's assignee, severally, an irrevocable power of attorney to execute any document required or deemed desirable by Seller or Seller's assignee to perfect, preserve, or release its security interest in the property, including but not being limited to documents in connection with certificates of title.

3. INSURANCE. Buyer shall keep the property continuously insured by an insurer approved by Seller, against fire, theft, and other hazards designated at any time by Seller, in an amount equal to the full insurable value thereof, and will deliver the policy and receipt showing payment of premiums to the Seller at Seller's request. The insurer may be selected by Buyer if selected not later than commencement of Seller's risk, otherwise by Seller. In the event of loss, Seller shall have full power to collect any and all insurance proceeds, and to apply the same at its option to any obligation secured hereby, whether or not matured, or the restoration or repair of the property. If insurance as required herein is not maintained by Buyer, Seller may, but is not required to do so, purchase such insurance as it desires to protect its interest. Buyer agrees to reimburse Seller for such expense upon demand of Seller. If such sum is not paid upon demand, it shall thereafter bear interest at the rate of 12% per annum until paid. Seller shall have no liability whatsoever for any loss that may occur by reason of the omission or lack of coverage of any such insurance.

4. USE OF PROPERTY-BUYER'S RESIDENCE AND AGE. Buyer will keep the property in good repair and agrees to comply with any governmental regulation affecting the use of the property and will not waste, injure or destroy the property, or use or permit the use of the property in any unlawful manner. Without the prior written consent of the Seller, Buyer will not make any material changes in the chassis, body or special equipment. Buyer assumes all risk of damage to or loss or destruction of said property, whether insured against or not. Buyer represents that he resides in the county set forth in his address on the face hereof, and that he is not less than 18 years of age. Buyer agrees to notify Seller of any change of address from that set forth on the face of this contract, and should the Buyer fail to do so, he shall be liable for any costs incurred by the Seller in locating the Buyer or the said property, payment of which shall be made by the Buyer on demand. If not paid upon demand said sum shall thereafter bear interest at the rate of 12% per annum until paid.

5. TAXES. Buyer will pay before delinquency all taxes and license fees and other governmental charges levied against the property.

6. EXPENSES INCURRED BY SELLER. Seller is not required to, but may, at its option, pay any tax, assessment, insurance premium and expense, repair, or other charges payable by Buyer, and any filing or recording fees, and any amount so paid shall be secured hereby and shall be repayable by Buyer on demand. If not paid upon demand such sum shall thereafter bear interest at the rate of 12% per annum until paid. The rights granted by this paragraph are not a waiver of any other rights of Seller arising from breach of any of the covenants hereof by Buyer.

7. WAIVERS-COMPLETE AGREEMENT-APPLICABLE LAW. This contract contains the entire agreement of the parties. **THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF.** No waiver or modification by Seller of any of the terms or conditions hereof shall be effective unless in writing and signed by the Seller. No waiver or indulgence by Seller as to any required performance by Buyer shall constitute a waiver as to any subsequent required performance or other obligations of Buyer hereunder. This contract is made with reference to and is to be construed in accordance with the laws of the State of Washington.

8. DEFAULT. Time is of the essence in this agreement and in any of the following events, hereinafter called "Events of Default," to wit:

(a) Any failure by Buyer to pay when due the full amount of any payment, taxes, insurance premium, or other indebtedness or charges which are or may be secured hereby; or

(b) Any failure by Buyer to perform as required by any covenant or agreement herein; or

(c) The falsity of any representation by Buyer herein or in any credit application or financial statement given by Buyer to Seller as the basis for any extension of credit secured hereby; or

(d) If the property should be seized or levied upon under any legal or governmental process against Buyer or against the property; or

(e) If Buyer becomes insolvent or is the subject of a petition in bankruptcy either voluntary or involuntary or in any other proceeding under the Federal Bankruptcy Laws, or makes an assignment for the benefit of creditors; or if Buyer is named in or the property is subjected to a suit for the appointment of a receiver, or

(f) Loss, substantial damage to, or destruction of any portion of the property; or

(g) If Seller deems the property in danger of misuse or confiscation, or in case of any unreasonable depreciation in the value thereof; or

(h) The Seller deems itself insecure;

Then and in any of such events of default, the entire amount of the unpaid purchase price and other charges and indebtedness secured hereby shall then or at any time thereafter, at the option of Seller, become immediately due and payable without notice or demand, and seller shall have an immediate right to pursue the remedies herein provided.

9. REMEDIES. In the event of a default hereunder, Seller shall have all remedies provided by law; and without limiting the generality of the foregoing, shall be entitled as follows:

(a) Buyer agrees to put Seller in possession of the property on demand; and at the request of the Seller to deliver the property to Seller at a place designated by Seller which is reasonably convenient to both parties; and

(b) Seller is authorized to enter any premises where the property is situated or may be found and take possession of the property, together with all additions, equipment and accessories thereto, in a peaceful manner, without notice or demand or without legal proceedings. Seller may take temporary custody of anything found in the property. Buyer waives all claims for damages due to or arising from or connected with any such taking; and

(c) Buyer agrees that a period of ten (10) days from the time notice is sent by first class mail or otherwise, shall be a reasonable period of notification of a sale or disposition of the property; and

(d) Buyer agrees that any notice or other communication by Seller to Buyer shall be sent to the mailing address of the Buyer stated herein; and

(e) Buyer agrees to pay on demand the amount of all expenses reasonably incurred by Seller in efforts to collect the indebtedness secured hereby and in protecting or realizing on the property. In the event that this Security Agreement or any obligations secured by it is referred to an attorney for protecting or defending the priority of Seller's interest or for collection or realization procedures, Buyer agrees to pay a reasonable attorney's fee, including fees incurred in both trial and appellate courts or fee incurred without suit, and expenses of title search, and all court costs and costs of public officials. The sums agreed to be paid in this sub-paragraph shall be secured hereby.

10. ASSIGNMENT. Seller may assign this contract, and any such assignment shall vest in the assignee of the Seller all of the Seller's rights together with title to said property, and in such event wherever the word "Seller" is used herein, it shall be taken to mean its assigns and all payment required to be made hereunder by Buyer shall be paid in full to such assignee. To the extent this contract is for the purchase of goods or services primarily for personal, family or household use and not for business or commercial use, such assignment shall not cut off as to third parties any right of action or defense which Buyer may have against Seller. If the goods or services purchased are for business or commercial use Buyer agrees not to plead or assert against such assignee any claim or defense whatsoever it may have against Seller. This contract shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto, subject to the above restriction against assignment by the Buyer.

11. TRADE-INS. Buyer warrants that the property traded herein, if any, is free from any lien, encumbrance or other charge or security interest, and breach of said warranty shall be a breach of this contract.

12. YEAR OF MANUFACTURE. It is understood and agreed that there is no representation or warranty that the "year and model" of said property as hereinabove stated, correctly states the year in which said property was manufactured, but is merely used for convenience in describing it.

13. PURPOSES OF INSURANCE. The following are merely statements of purpose, and not the terms of coverage in any insurance to be ordered by Seller hereunder: **COMPREHENSIVE AND COLLISION:** To indemnify parties against covered casualty losses. **VENDOR'S SINGLE INTEREST:** To indemnify only the Seller against the insured loss. No insurance under Vendor's Single Interest is provided to protect Buyer's interest. **LIABILITY:** To indemnify insured against covered claims by other person. **BUYER'S LIFE:** To pay balance of contract on Buyer's death. **BUYER'S DISABILITY:** To make payments on contract during Buyer's covered disability.

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SECURITY AGREEMENT-SALE OF CHATTEL PAPER
ASSIGNMENT AND GUARANTEE OF SECURITY AGREEMENT

For valuable consideration, receipt of which is acknowledged, the undersigned hereby sells, transfers and assigns to _____ (herein called "Bank") the contract of sale hereon and all the right, title and interest of the undersigned in the property therein described and all proceeds thereof, and all monies due and to become due thereunder.

The undersigned warrants that it has the right and power to sell said property, that it is sold pursuant to this contract free and clear of all security interests and encumbrances of every nature except as created hereby, that the within contract is genuine, valid and enforceable, in accordance with its terms, and arose from a bona fide sale of property according to the contract terms; that said contract was entered into in compliance with all applicable laws and regulations, and that the undersigned has applied for a title certificate showing Bank as holder of a security interest in the property. The undersigned guarantees, warrants, and agrees to defend the title to said property against all claims and demands whatsoever. All information furnished to Bank in connection with the contract or this assignment is in all material respects true and accurate, and the undersigned has the right and power to make this assignment.

If Bank gains possession of said property or any part thereof and delivers it to the undersigned, or commences legal proceedings to gain such possession, within ninety (90) days after the then unpaid installment longest overdue; upon delivery of said property by Bank, the undersigned agrees (a) to hold the property as bailee of Bank and when so authorized by Bank to endeavor to sell the property promptly and to sell it in a commercially reasonable manner, and in accordance with all the terms and conditions of such a sale imposed by law, and (b) to transmit to Bank, immediately upon sale, the entire unpaid balance of this contract plus the Bank's collection expenses; and (c) if the property is not sold within thirty days after delivery of the property, to pay to Bank forthwith the entire balance of the contract, plus the Bank's collection expenses. The period of time within which Bank must deliver the property to the undersigned or commence legal proceedings to gain possession of the property, shall be extended to the extent of time Bank is restrained or prevented from the gaining of possession or commencing of any such action by the application of any statute or rule of law.

If the undersigned is no longer in the automobile business at any time Bank has possession of the property, Bank may sell said property without delivery to the undersigned or notice or demand, and upon such terms and conditions as Bank deems advisable, and if the proceeds of such sale are not sufficient to pay the entire unpaid balance, plus the costs of collection and disposition, the undersigned agrees to pay, upon demand, the deficiency remaining.

Provided, however, in lieu of any such sale the undersigned retains the right to pay the entire unpaid balance and take title to the property at any time after repossession by the Bank.

The undersigned agrees to remain bound hereunder notwithstanding any extension of time of payment or change in the terms of the Buyer's contract, and hereby waives presentment, demand, notice of non-payment, advertisement, and notice of sale, notice of suit against the purchaser and any other notices, and agrees that, as to Bank, obligations of the undersigned hereunder shall be enforceable, even though Bank's right to enforce said contract or any provision thereof be suspended or impaired by any statute or otherwise.

The undersigned agrees to pay reasonable attorney's fees and costs in any suit brought by Bank to enforce its rights hereunder.

The terms of this agreement inure to the benefit of any successor or assignee of Bank and are binding upon the heirs, executors, administrators, successors and assigns of the undersigned. The singular pronoun shall include the plural and such gender as the context requires.

Dated at _____, this _____ Seller _____ Title _____

day of _____, 19_____ By _____

SECURITY AGREEMENT SALE OF CHATTEL PAPER
SELLER'S ASSIGNMENT AND SPECIAL GUARANTEE

For valuable consideration, receipt of which is acknowledged, the undersigned does hereby sell and assign to _____ Bank (herein called "Bank") the contract of sale hereon, the property covered thereby and all proceeds thereof, and all monies due or to become due thereunder. The undersigned warrants that the obligation of the Buyer is valid and enforceable in accordance with its terms, and arose from a bona fide sale of property according to the contract terms, that said contract was entered into in compliance with all applicable laws and regulations, and that it is not subject to any defenses. The undersigned further hereby guarantees the payment of all monies due or to become due under the terms of said contract and further guarantees the prompt and faithful performance of each and every covenant thereof by Buyer. In the event of any non payment by the Buyer for any reason, the undersigned, upon demand, hereby agrees to pay Bank the entire balance of payments and obligations, accrued and unaccrued, with accrued interest and all other charges incurred by Bank. The Bank may proceed against Buyer without waiving or impairing its rights against the undersigned. In the event the Bank shall have taken any steps toward realizing from the Buyer, by way of repossession or otherwise, the undersigned will comply with the Uniform Commercial Code and all other applicable laws affecting realization procedures. The undersigned consents to the extension of time of payment and changes of the terms of said contract by the Bank and waives presentment, demand and notice of non-payment. The terms of this agreement shall inure to the benefit of said Bank, its successors and assigns. The undersigned agrees to pay reasonable attorney's fees and costs in the event payment is not made upon demand and an attorney is engaged to enforce the undersigned's obligation hereunder.

Dated at _____, this _____ Seller _____ Title _____

day of _____, 19 By _____

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LAW AND AGRICULTURE
IN WASHINGTON STATE
CONTRACT LAW
STUDY QUESTIONS
UNIT III

1. List and describe the 5 essential elements of a contract.
2. What is the difference between suing for specific performance and suing for damages?
3. Describe and give an example of a contract implied in fact.
4. Describe and give an example of a contract implied in law.
5. What is a novation?
6. Is an oral contract as binding as a written contract? What is the biggest problem in suing for breach of contract with an oral contract?
7. When is an oral contract not valid?
8. Describe: Contract Rescission.
9. Describe and compare misrepresentation and fraud.
10. Describe: Impossibility of Performance.
11. Describe: Substantial Performance.
12. Describe an instance from your own experience where you have been involved in using a contract.

LAW AND AGRICULTURE
IN WASHINGTON STATE
CONTRACT LAW
UNIT III

SUGGESTED LEARNING ACTIVITIES

1. Have students bring in copies of contracts from home. Analyze their contents and discuss the basic components in class.
2. Invite a local agribusiness person to speak on the use of contracts in their business activities.
3. Have students look for magazine and newspaper articles which deal with the use of contracts.

LAW AND AGRICULTURE
IN WASHINGTON STATE
CONTRACT LAW
UNIT III
QUIZ

1. What is "breach of contract"?

2. Define: Novation.

3. (True or False) A written contract replaces any previously existing oral contract.

4. A lawsuit to force someone to fulfill their obligations in a contract is called a lawsuit for _____.

5. Intentionally deceiving someone to get them to sign a contract is an example of _____.

6. List the 5 essential elements of a contract.

7. (True or False) Oral contracts are not really legally binding agreements.

8. What 2 solutions exist for breach of contract?

LAW AND AGRICULTURE
IN WASHINGTON STATE
CONTRACT LAW
UNIT III
QUIZ ANSWER SHEET

1. Not fulfilling the obligations of a contract, is called breach of contract.

2. Substituting a new contract for an old one is a novation.

3. True

4. Specific performance

5. Fraud

6. 1) You must have competent parties involved
   2) You must deal with legal or proper subject matter
   3) You must have an offer
   4) The offer must be accepted
   5) Consideration must be made (payment or performance of some kind).

7. False

8. You can use for money damages or for performance which forces someone to fulfill their obligations in the contract.

LAW AND AGRICULTURE
IN WASHINGTON STATE
TORTS
UNIT IV

I. Civil wrong doings - Torts

A. Liability is based on fault

1. Who is at fault?

2. Who can be held liable?

B. General categories of torts

1. Intentional acts

a. Something done on purpose

2. Intentional omission to act

a. One does nothing to prevent a civil wrong when one could have

3. Negligence

a. Unintentionally allowing a civil wrong to occur

4. Negligent omission to act

a. Unintentionally allowing a civil wrong to occur by neglecting to act to prevent it

C. Specific type of torts

1. Assault

a. A threat to injure someone

2. Battery

a. Intentionally injuring someone

3. Fraud

   a. Intentionally deceiving someone to profit from them in some way

4. Libel

   a. Damaging a persons reputation by making untrue, damaging statements in writing

5. Slander

   a. Spoken statements which falsely damage a person's reputation.

6. Nuisance

   a. Causing discomfort or inconvenience to someone in the use or enjoyment of their property

D. Specific illustrations

1. Negligence

   a. Negligence occurs when a person fails to act in a way a normally careful and reasonable person would act

   b. Contributory negligence exists when a person's carelessness contributes to any damage or injury suffered by that person even though another party may also have been negligent.

   c. (example): Ken's employer told him to haul some hay from the field to the barn some 5 miles away. Ken's employer forgot

to put the tie down ropes back in the truck after he used it last. Ken noticed the ropes were missing but decided to move the hay without tying it down because he didn't want to take the time to go back and pick up the tie down ropes. On the way to the barn with the hay loaded, Ken took a corner too fast. The hay fell off the truck and damaged a car passing through the intersection. Ken's employer may be negligent in failing to put back the tie down ropes but Ken may be shown to be contributorily negligent in failing to use good judgment by deciding to haul the hay without tie downs and driving too fast around a corner with a loaded hay truck.

2. Nuisance

   a. To create an unnecessary and annoying situation that prevents others from

getting full enjoyment from the use of their property.

b. (example): Woody has a hog operation and just put in a new sewage lagoon for the hog building. Every time it rains it overflows and floods Mrs. Barkers driveway. This creates a terribly smelly situation. Mrs. Barker took the matter to court on the grounds that Woody's lagoon created a nuisance by interfering with the normal use of her driveway.

3. Attractive Nuisance

a. Deals with children

b. Children are recognized as not having the capacity to recognize potentially unsafe conditions

c. "No trespassing" or "danger" signs are not considered as sufficient deterrents to prevent injury to children.

d. (example): If a farmer was building a new barn some distance from his house and he had piles of lumber waiting to be used in

the construction, he may be held liable if children were injured while playing on the lumber. Especially if it can be shown that he did not take adequate precautions to keep children from playing on the lumber.

II. Farm Visitors

A. There are three classifications of guests

1. Trespassers

a. A person on your property without your permission to be there and in direct violation of posted signs.

2. Licensees

a. A person who has your permission to be on your property but his presence there is for his benefit alone

b. You have a responsibility to warn him of hidden dangers

c. He has a responsibility to beware of obvious dangers

3. Invitees

a. Sometimes called business visitors

b. The invitee has your permission to be on your property

c. The invitee may have public invitation to be on your property, such as a meter reader or a salesman

d. The invitee may be present for your benefit or for mutual benefit

e. Because you are benefiting from an invitee you have a greater liability for that persons safety

4. Status of farm visitors

a. The status of a visitor may change from that of a licensee to that of a trespasser if you ask that person to leave and they refuse to do so

b. Your liability toward the visitor depends upon their classification at the time an injury occurs

c. Visitors may have your expressed permission to be on your property

d. Visitors may have your implied consent to be on your property if it is common knowledge you allow people to use your property

e. (example): Of implied consent; It is common knowledge you allow public fishing in your pond. You observe Bill, whom you do not like, fishing on your

pond. You try to prosecute him for trespassing. Because you normally allow people to fish without your expressed consent it may be construed that Bill had your implied consent to be fishing also.

f. In order to encourage private landowners to allow free recreational use of their land by the public, the State of Washington has relaxed liability rules except in the case of known unsafe conditions which must be posted.

III. Liability with regards to employees

A. There are three basic types of employees

1. Servants

a. The employer has direct control over the employee and the manner with which the employee does their work.

b. (example): A farm worker or "hired hand"

2. Agents

a. A person who has the authority to transact business for an employer

b. A person who has the authority to manage a business for an employer

c. (example): Employees who buy or sell materials or goods for an

employer or employees who manage the daily affairs of a business for an owner

3. Independent contractor

   a. A person who performs a task for another according to any means they deem appropriate

   b. (example): Consider a person you may contract to build a loafing shed for your dairy. You give them permission to build a particular structure but the manner by which they build is left to their discretion.

B. Differences in liability for the actions of different types of employees

   1. Servants

      a. Employers have the greatest liability for acts of a servant

      b. Employers are generally responsible for acts of negligence caused by servants while they are acting within the scope of their job

      c. (example): Your employee was instructed by you to haul a load of hay from a local dealer to your

barn. He neglects to tie down the hay and it falls off causing damage to another persons vehicle. You may be held liable if the employee was acting within the scope of his job

2. Agents

   a. Employers have less responsibility for the acts of agents

   b. Employers are responsible for acts of agents who are acting within the realm of their authority

   c. Expressed authority: Specific authority given to an agent

   d. Apparent authority: The authority an agent, such as a manager, is assumed to have

   e. (example): A store may know from previous experience that your farm manager has the authority to buy supplies for your farm. If he buys things you did not authorize you may be liable based on previous dealings

3. Independent contractors

   a. Employers have the least control over the acts of an independent contractor

   b. Contractors are hired to perform a specific task. The employer has little control over the way the task is performed.

   c. Employers are generally not liable for the acts of independent contractors

   d. Employers may be liable for acts of independent contractors if the contractor was supplied with faulty plans or the job to be performed is of a dangerous nature

   e. (example): You contract with someone to build a new milking parlor for your dairy. The first time your milker uses it he receives an electrical shock from improper wiring. If the contractor used his own wiring plan you may not be liable but if he installed the wiring using a plan supplied by you, you may be held liable

C. Liability for injuries sustained by employees

1. The employers liability for an employee is similar to that of an invitee or a business visitor as the employee is present for the mutual benefit of both parties

2. The employer has the duty to warn the employee of hidden dangers and the employee has the duty to check for hidden dangers

3. The employer has the duty to keep his employees from harm

4. (example): A farm hand is using the farm truck to haul livestock to market. As he leaves the employer notices that the brake lights on the truck are not working. He comments to another employee that he meant to get those fixed but he keeps forgetting. If the truck is involved in an accident caused by defective equipment, the employer may be held liable for injuries sustained by the employee or others involved in the accident

5. Most employees are covered for injuries sustained on the job, in the performance of their job, by state industrial insurance

IV. Liability with regard to animals

A. Open range areas

1. To keep livestock off your land you must fence them out

2. To prevent damages caused by livestock it is usually not the responsibility of the livestock owner to fence them in

3. (example): Joe lives in an open range area and he fenced in 20 acres of feed corn that he is raising for his hog operation. Bill owns the adjoining land and runs a cow/calf operation on it. Two weeks before harvest Joe finds Bills cattle in the corn field. Joe may attempt to have Bill pay for the damage but chances are the court will not require Bill to do so as it is Joe's responsibility to fence out the animals in an open range area

4. Exceptions: Some animals are not allowed to run at large in the state of Washington, even in open range areas. Some examples are: swine, sheep and goats (except under certain conditions), stud horses or mules, and stallions

5. Note: Bulls and cattle are generally allowed to roam at large in open range areas. Proper measures should be taken by the owner to restrain a bull from causing damage to property of others if the possibility exists

B. Closed range areas (stock restricted areas)

1. It is the responsibility of the livestock owners to fence in their animals

2. The livestock owner is usually liable for damages caused by his animals in a stock restricted area

3. (example): Sue and Eileen are livestock producers and neighbors. Sue raises registered Holstein dairy replacement heifers. Eileen raises registered Simmental beef cattle. One day Eileen's bull broke down her fence and bred some of Sue's heifers. When She discovered this situation she called Eileen to complain. Eileen retrieved her bull but she didn't think the situation was as serious as Sue did as the bull was a valuable, high quality animal and she figured the heifers would be bred anyway

before they could enter a dairy herd. She was upset because she stood to lose income by not having registered calves from these heifers to raise and sell. Because they lived in a stock restricted area and Eileen had a responsibility to fence in her animals, especially a bull who lived next to a field of heifers, she would probably be liable for any damages caused by her bull

C. Allowing the spread of disease

1. The owner of a diseased animal is required to take normal precautions to prevent the spread of disease to animals or humans
2. It is unlawful in the state of Washington to knowingly sell diseased animals
3. Washington law requires that any animal which has died from disease must be buried at a depth of at least 3 feet
4. (example): Maxine owned a German Shepherd which was used to protect her feed store at night. The animal was put in a kennel during the day but allowed to run in the fenced store grounds at night to

scare off potential intruders. One morning a 10 year old boy entered the unlocked kennel to pet the dog not knowing of its vicious propensity. The dog subsequently bit the boy on the arm before he could be removed. Maxine may be held liable for the damages if she can be shown negligent for keeping the dog in an unlocked kennel. Even if the kennel has signs warning of the dog, it may be construed as an attractive nuisance, since a child was involved

V. Liability involving rented or borrowed equipment

A. Bailment

1. Allowing the use of equipment with the expectation that it be returned, as in renting or borrowing

2. The bailor is the owner of the equipment

3. The bailee is the borrower or renter of the equipment

B. The question of liability

1. If damages were suffered by a third party

a. Was the owner of the equipment negligent in lending or renting it to an

individual? (Was the bailee under the legal age?)

b. Was the equipment in good repair or was the bailee warned of unsafe conditions?

c. Even if the user, or bailee, was warned of unsafe defects, could he be expected to repair them before using the equipment without some agreement to do so?

2. (example): If Roy knowingly rents a stock truck to an intoxicated person, he may be held liable. If Roy fails to warn him that the emergency brake doesn't work and does not make an agreement with the bailee to fix it before using it, Roy may be held liable for damages caused by the bailee

3. Liability for injuries suffered by the bailee

a. If the bailee paid a fee to use the equipment the bailor or owner has a duty to rent only equipment that, to his knowledge, is in good repair. The bailor may not be liable if the injuries were caused by a hidden defect

b. If the owner or bailor did not receive a fee for use of the equipment did he warn

the borrower of any known defects or dangerous conditions?

c. (example): Darrin borrows a hay baler from Bill. Darrin gets injured when a piece of the baler comes loose and flies up and hits him in the head. Since Darrin did not pay a fee to use the machine, Bill can be held negligent only if he knew of the unsafe condition and failed to warn Darrin of it

VI. Nuisance

A. Types of nuisance

1. Definition

a. A situation which interferes with other peoples right to use and enjoy their property

b. Nuisances commonly create bad odors, loud noise, or health hazards

2. Temporary nuisance

a. A nuisance which can be corrected or changed to eliminate the nuisance

b. As in a malfunctioning sewage lagoon

3. Permanent nuisance

   a. A nuisance which exists because of the nature of the business

   b. As in the smell of a dairy herd or swine herd

4. Public nuisance

   a. A nuisance which interferes with the rights of many

5. Private nuisance

   a. A nuisance which interferes with the rights of a few

6. Legal nuisance

   a. The nuisance is being operated in a reasonable manner, common to that type of business, not in violation of any laws

B. Legal remedies for nuisance

1. Injunction is a court order to stop the nuisance

2. Actual damages

   a. The person creating the nuisance can be forced to pay for money lost by others

3. Punitive damages and fines determined by the court

   a. To punish the creators of the nuisance because of the nuisance

4. Zoning

   a. Use laws or zoning laws allowing the operation of the business creating the nuisance

5. Licensing

   a. Is the business creating the nuisance operating in an allowable fashion

C. Considerations

1. Most nuisances involve a person making a complaint

   a. The defendant usually is engaged in the situation creating the nuisance as a business or source of income

2. The court must consider fairness to both parties

3. The fact that a nuisance existed before the plaintiff arrived on the scene does not always render the complaint invalid

D. (example): People who move next to an existing stockyard may be able to bring a valid nuisance lawsuit if they have a complaint which may be remedied by making reasonable corrections or if the operation has increased in size or made other significant changes since the neighbors moved in

GENERAL CATEGORIES OF TORTS (CIVIL WRONGS

1. INTENTIONAL ACTS

2. INTENTIONAL OMISSION TO ACT

3 NEGLIGENCE

4. NEGLIGENT OMISSION TO ACT

- SPECIFIC TYPES OF TORTS

1. ASSAULT

2. BATTERY

3. FRAUD

4. LIBEL

5. SLANDER

6. NUISANCE

TYPES OF NUISANCE

1. TEMPORARY NUISANCE

2. PERMANENT NUISANCE

3. PUBLIC NUISANCE

4. PRIVATE NUISANCE

5. LEGAL NUISANCE

LEGAL REMEDIES OF NUISANCE

1. INJUNCTION

2. ACTUAL DAMAGES

3. PUNITIVE DAMAGES

4. ZONING

5. LICENSING

FARM VISITORS

1. TRESPASSERS

2. LICENSEES

3. INVITEES

TYPES OF EMPLOYEES

1. SERVANTS

2. AGENTS

3. INDEPENDENT CONTRACTOR.

LIABILITY FOR THE ACTIONS OF ANIMALS

1. OPEN RANGE

2. STOCK RESTRICTED AREAS

LAW AND AGRICULTURE
IN WASHINGTON STATE
TORTS
STUDY QUESTIONS
UNIT IV

1. List and describe the 4 general types of civil wrongs (torts).
2. List the 6 specific types of torts and describe each.
3. Explain the difference between negligence and contributory negligence.
4. What is the major difference between nuisance and attractive nuisance?
5. List the 3 types of farm visitors and describe the differences between them.
6. List and define the 3 general categories of agricultural employees.
7. How does liability to the employer differ for <u>each</u> type of employee?
8. Explain the major difference between open range and stock restricted areas.
9. Define: bailment.
10. How does liability differ between rented and borrowed equipment?
11. List and define the 6 types of nuisance.
12. Explain the different legal remedies for nuisance and the considerations the court must make in rendering a decision.

LAW AND AGRICULTURE
IN WASHINGTON STATE
TORTS
UNIT IV

SUGGESTED LEARNING ACTIVITIES

1. Invite an attorney to speak on the various types of civil wrong doings and how the law addresses them.
2. Have students discuss personal experiences concerning nuisance, trespassing, range laws, negligence, etc.
3. Ask a police officer to answer questions about torts students may have.
4. Look for newspaper articles involving various types of torts and relate them to agricultural situations.

LAW AND AGRICULTURE
IN WASHINGTON STATE
TORTS
UNIT IV
QUIZ

1. List the 3 classifications or forms of visitors.

2. What is implied consent?

3. List the 3 general types of agricultural employees.

4. In most cases if a cow gets hit by a car in an open range area who is at fault, the driver or the owner of the cow?

5. (True of False) It is legal in our state to sell a diseased animal at the local auction yard.

6. Vindicator is a purebred Charolais bull with a reputation for being mean and destructive. Who would be responsible for the damage he may cause in an open range area?

7. (a) What is a bailor? (b) A bailee?

LAW AND AGRICULTURE
IN WASHINGTON STATE
TORTS
UNIT IV
QUIZ ANSWER SHEET

1. Trespassers, Licensees, Invitees

2. If it is common knowledge that some action is allowable then it is said that implied consent exists.

3. Servants, Agents, Independent contractors

4. The driver must watch out for livestock in an open range area. They have the right of way.

5. False

6. The bull's owner would usually be held liable for damages caused by him if he has a reputation for causing problems unless the person who received the damage did not take reasonable care to prevent normal animals from causing damage.

7. (a) The bailor is the owner of equipment that is rented or borrowed.
(b) The bailee is the person who rents or borrows equipment.

LAW AND AGRICULTURE
IN WASHINGTON STATE
OWNERSHIP OF LAND
UNIT V

I. Estate type of land ownership. There are two types.

A. Lease hold

1. A lease that has a definite life span

2. (example): You agree to lease 500 acres of cropland for 10 years for 50% of the crop per year

B. Free hold - Ownership which lasts for an unspecified period of time

1. Fee estates

a. Ownership which may be passed from generation to generation.

2. Fee simple absolute

a. Gives the owner all rights normally available to a landowner

b. The owner has the right to lease, sell, borrow money against the value of the land, or use it any way consistent with zoning and other regulations

3. Fee simple conditional

a. Conditions for continued ownership are placed on the new owner by the previous owner

b. (example): Craig's uncle Milt decided to retire. He had 1000 acres of prime crop land. Uncle Milt decided to give the land to Craig but he wanted to insure that it always remained as agricultural land. The condition that the land remain as cropland was placed on this ownership and Uncle Milt specified that no more than 1 house and related agricultural buildings be allowed to be built on the land. After Uncle Milt died, Craig decided to sell the land for a housing development. Uncle Milt's heirs sued to regain ownership of the land based on the premise that this action would violate the conditions of Craig's ownership

C. Life estates: these are also a type of free hold estate

1. Ordinary life estate

   a. Ownership goes from one person to another for as long as that person shall live

   b. (example): Alice inherited a farm from her maternal uncle. Alice had other interests in the city and did not wish to operate the farm. Her father, who was retired from the military, had always wanted to farm so Alice made him a "life tenant." In other words, she granted him ownership of the farm for as long as he should live

2. Life estate "pur autra vie"

   a. The length of time the life estate is in existence is measured by someone elses life other than the life tenant himself

   b. (example): Let's modify the above example. Alice's father farmed for several years but developed health problems which made him unable to farm. He had an excellent hired man,

who had for years shown good sense and loyalty as well as a desire to farm. Alice's father granted ownership to this man but he cannot transfer more ownership than he has. So the hired man's ownership will last only as long as the father lives. This is a life estate "pur autra vie."

3. Responsibilities of a life tenant

   a. The life tenant has the responsibility to <u>maintain</u> the property in a reasonable and acceptable fashion for the person who will regain ownership once the life tenancy is expired.

   b. (example): Let us use the above example again. Alice's father and the hired man have a duty to operate the farm in an acceptable fashion. If they discover coal deposits they do not have the right to destroy the land by dredging or strip mining, as this was not the

intent of the grantor of the tenancy.

c. The remainderman is the person who holds the ultimate ownership. This is the person to whom ownership will revert once the life tenancy is over.

d. The life tenant may operate new business activities on the property as long as he causes no damage or injury to the property.

II. Joint ownership of property

A. Joint tenancy

1. One of two types of joint ownership recognized in the state of Washington

2. This type of joint ownership provides the "right of survivorship" to each co-owner

a. In other words, if one owner dies the other owner automatically gains the ownership of the deceased tenant

3. Each joint tenant has the right to sell or otherwise convey his interest in the joint tenancy as he wishes

B. Tenancy in common

1. The other of the two types of joint ownership recognized in this state

2. Each joint owner may convey his interest in the property as he wishes as in joint tenancy

3. No right of survivorship exists. If one co-owner dies, that ownership is inheritable and ownership will not automatically go to the other joint owners unless it is willed that way

4. Joint ownership is automatically considered to be "tenancy in common" unless a legal conveyance exists specifically creating a "joint tenancy"

C. (example): B and J Feed and Farm Supply was owned by Bill and John. John's son Steve also worked at the store but Bill did not think much of him as an employee. John had a heart attack and died unexpectedly so Bill decided to fire Steve since his father was now out of the picture. Steve contended that he was now part owner and couldn't be fired. But Bill and John had created a joint tenancy a few years back when Steve was in the military and planning to make a career of it. As such, Bill automatically has the "right of survivorship" and assumes the ownership of his deceased partner

D. Considerations

1. A "joint tenancy" protects the rights of the remaining joint tenants
2. A "tenancy in common" protects the rights of the heirs
3. Joint tenancy is not necessarily a good substitute for a will
4. An attorney should be consulted to decide which type of joint ownership is best for each situation

III. Adverse Possession of Land

A. Also called "squatter rights"

1. If one party uses some portion of land contrary to the interests of the true owner and without their permission to do so, that party may gain legal ownership of that land under the doctrine of adverse possession, if this situation continues for a period of 10 years
2. Individuals with the legal right to occupy land, such as life tenants, cannot claim ownership under this doctrine
3. (example): Mr. Hughs owns land in North Eastern Washington which he bought for an investment 12 years ago. Without his knowledge or permission, Mr. Mott began living on the land 2 years later. Mr.

Mott set up a travel trailer there for a few months and when nobody complained, he cut some logs and built a ramshackle house. He continued to use the property, building fences, tilling a garden, and building some rickety out-buildings. After 10 years had passed, Mr. Mott sought to achieve legal ownership under the doctrine of adverse possession, as he had used the land as his own and to the detriment of Mr. Hughs for the required period of time. During this time he not only lived on the property, but cut trees as firewood and building material, thus furthermore reducing the value of the property

B. Color of Title

1. A person may gain legal ownership of land that he believes is his by, in good faith, paying taxes on it for the period of seven years

2. (example): Lee bought some land from Orville. A title search did not

reveal a previous claim against the property. Lee paid taxes on the land and believed he had full legal title to it for eight years. At that time the person having the claim against the property sought to obtain ownership. Lee may not lose the land because of the "color of title" statute

IV. Deeds

A. Definition

1. A deed is a legal instrument used to transfer ownership of land from one person to another

a. There are 3 major types of deeds

B. Warrant Deed

1. The seller or grantor of the deed promises that the land is his to convey and is free from all other claims

2. Care should be taken to ascertain what degree of ownership is actually being conveyed

3. (example): Guy offered to buy 100 acres of wooded land from Mr. Benson. Mr. Benson eagerly agreed and offered to transfer ownership to Guy via a Quit-Claim Deed. After the conveyance was completed, Guy

proceeded to log off the land. As it turned out, Mr. Benson was a life tenant and did not have the right to log the land. Guy therefore, did not have the right to log the land, although he did not know that. A complicated law suit could arise here because Guy accepted a Quit-Claim deed in this conveyance of land

V. Using land as security property

A. Land is often used as collateral or security interest in real property

1. Two legal instruments are available in Washington for this purpose

a. Mortgage

b. Deed of Trust

B. Mortgage

1. One legal instrument used to create a security interest in real property

2. If the borrower is unable to meet the payments on the mortgage the lender may "foreclose" on the mortgage

3. Foreclosure is a lengthy legal process where the land is eventually sold to repay the loan. If the proceeds do not pay off the

loan, the borrower is still obligated to pay back the deficiency

4. If sale of the security property more than satisfies the debt, the borrower receives the excess funds

C. Deed of Trust

1. Use of a deed of trust streamlines the process whereby the lender may be repaid the money due on a defaulted loan

2. The lender must take whatever money is generated by the property sale, even if it does not totally repay the loan. No deficiency judgment may be issued to force the borrower to pay off the balance. In reality, the loan is rarely totally satisfied, even with a deficiency judgment

3. This type of legal instrument may not be used for agricultural land or farms

D. Conditional Sales Contracts

1. The lender is granted title to the land until the debt is paid off

2. When the loan has been repaid, ownership is transferred to the borrower

3. If the borrower defaults at any time in the life of the contract, the lender may keep title to the land and all money paid toward retiring the loan

4. (example): Cindy S. buys a tack shop from Suzie B. Cindy paid off all but 1 year of a 5 year contract when a recession hit their community. Under the terms of the contract, Suzie B. could retain the title to the property and also keep the 4 years of payments, leaving Cindy S. with nothing if the last years payment is not met

VI. Land Recording Acts

A. All security interests in land must be registered with the county to be considered valid

B. This protects purchasers of land by letting them know what lenders have claim to the property, which must be satisfied before clear title can be had

C. Bonafide Purchaser

1. In order to be protected by recording acts, a person must be a bonafide purchaser

2. A bonafide purchaser is one who gives value for the land. Whether it be adequate value or not is not for the courts to decide

3. The bonafide purchaser must also have no knowledge of other interests held in the land by other parties

4. All security interests recorded in the county records are considered public notice of that security interest in the land

5. By purchasing title insurance, you buy a title search. This service will provide you with knowledge of any security interests which must be eliminated before you may be a bonafide purchaser and the title of "marketable." This means it is free of all liens and is able to be sold

VII. Land Use Restrictions

A. Escheat

1. If a deceased person with no known relatives leaves no heirs to receive the estate, ownership passes to the state

2. This rarely happens as most people have relatives somewhere who receive ownership of the estate

B. Eminent Domain

1. The power of the government to condemn private property and acquire this property for public use

2. In Washington the ultimate power of eminent domain belongs to the state legislature

3. The land acquired through this process must be used for the benefit of the public

4. The landowner must receive just and fair compensation for the land, based upon its fair market value, special benefits, or special damages

5. (example): If part of a person's land is taken and the improvements to be made to the land will increase the value of the remaining property, by making it more accessible, etc., the owner would receive a lesser cash amount for the land taken because of the increase in value of the land retained. Farm land cannot be valued as residential land, it must be valued based on the use of the land before the public improvements are made. If value of the land decreases because of the condemnation, the government must pay more for the land because of special damages. This often occurs if farm land is made unaccessible because of a highway splitting it apart

6. Compensation for "general damages" need not be made

   a. General damages include things such as an increase in noise or traffic

7. If a landowner does not wish to sell and will not agree on a selling price, the court will then decide these matters and force the sale to occur

C. Dedication

1. Land may be given to the public by the process of dedication

2. This is often done when people wish to give a private road to the public (i.e. county or state) to relieve themselves of the burden of maintenance expenses, etc.

3. When the use of land is "adverse" to the rights of the owners and occurs for a period of 10 years, the public may receive the land under a "prescriptive right" as in adverse possession

D. Zoning

1. Regulations which restrict the use of land

2. (example): Some land may be used only for residential purposes, other land for business enterprises, or agricultural purposes. Zoning

laws differ in every community, so local regulations should be checked before land is purchased for a specific use

E. Easements

1. The right to use another persons property for a specific purpose

   a. Negative easement restricts the owners use of the land in some way

   b. (example): A landowner may be restricted from constructing a building higher than a specified height so as not to block his neighbors view

   c. An affirmative easement gives someone other than the landowner the right to use the land for some stated purpose

   d. (example): Charles wishes to fence in a pond to establish a private fishing pond that he can charge people to fish in. One edge of the pond is next to a highway and thus on state owner highway frontage property. To erect the fence he must obtain an easement giving him the right to use

state property for that specific purpose.

2. There are 5 ways to create an easement
   a. One may be expressly granted to you
   b. In a property conveyance you may expressly reserve an easement for yourself for some purpose
   c. If it seems reasonably necessary for a person to have access to property, the court may imply that an easement does exist
   d. Although it is uncommon, if it seems necessary by the court, an easement by reservation may be implied
   e. An easement by "adverse possession" may also be granted if the adverse use has occurred for at least a 10 year period
3. Terminating an Easement
   a. Easements may be limited to a certain period of time
   b. The person who has the easement (called the dominant tenant) may give up his easement voluntarily
   c. The dominant tenant may cease to use the easement or abandon it
   d. The landowner (called the servient tenant) may terminate the easement by

using the land set aside in the easement adverse to the rights of the dominate tenant for a period of 10 years

e. The land may be conveyed to a new owner who has no knowledge of the easement thus terminating it

f. The dominant tenant may purchase the land thus eliminating the need for the existence of an easement

F. Restrictive Covenants

1. These restrict the use of the land by future owners

a. A clause may be put into a deed which restricts the use of the land after it is conveyed to a new owner

b. Restrictions based on racial or ethnic bias are generally not legal

c. Restrictions based on land use are often valid

ESTATE TYPE OF LAND OWNERSHIP

A. LEASEHOLD

B. FREEHOLD

1. FEE ESTATES

2. FEE SIMPLE ABSOLUTE

3. FEE SIMPLE CONDITIONAL

4. FEE SIMPLE DETERMINABLE

C. LIFE ESTATE

D. LIFE ESTATE "PUR AUTRA VIE"

TYPES OF DEEDS

1. WARRANT DEED

2. BARGAIN AND SALE DEED

3. QUIT-CLAIM DEED

Using Land as Security Property

1. Mortgage

2. Deed of Trust

3. Conditional Sales Contract

LAND USE RESTRICTIONS

1. ESCHEAT

2. EMINENT DOMAIN

3. DEDICATION

4. ZONING

5. EASEMENTS

6. RESTRICTIVE COVENANTS

Statutory Warrar Deed

WASHINGTON TITLE INSURANCE COMPANY
SEATTLE, WASHINGTON

Mail to

Send Tax Statement to

FORM L58

Statutory Warranty Deed

THE GRANTOR

for and in consideration of

in hand paid, conveys and warrants to

the following described real estate, situated in the County of , State of Washington:

BEST COPY AVAILABLE

Dated this day of

97

91 _____ (SEAL)

Dated this day of

_____(SEAL)

_____(SEAL)

STATE OF WASHINGTON, }
County of } ss.

On this day personally appeared before me

to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that signed the same as free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this day of

_____

Notary Public in and for the State of Washington, residing at

BEST COPY AVAILABLE

SAFECO

SAFECO TITLE INSURANCE COMPANY

THIS SPACE RESERVED FOR RECORDER'S USE

Filed for Record at Request of

NAME _____

ADDRESS _____

CITY AND STATE _____

QUIT CLAIM DEED

THE GRANTOR

for and in consideration of

conveys and quit claims to

the following described real estate, situated in the County of
State of Washington, including any after acquired title:

Dated _____ , 19 ___

_____
(Individual)

_____
(Individual)

_____

By _____
(President)

By _____
(Secretary)

STATE OF WASHINGTON
COUNTY OF } ss.

On this day personally appeared before me _____
_____
_____
to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that _____ signed the same as _____ free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ _____ day of _____ , 19 ____

_____
Notary Public in and for the State of Washington, residing at _____ .

STATE OF WASHINGTON
COUNTY OF } ss.

On this _____ day of _____ , 19 ___, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____
_____
and _____ ,
to me known to be the _____ President and _____ Secretary, respectively, of
_____
the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _____ _____ authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

_____
Notary Public in and for the State of Washington, residing at _____ .

TL-5 R3 2/76

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WASHINGTON
TITLE INSURANCE
COMPANY

LEASE

(CORPORATE FORM)

Form L 49

THIS INDENTURE, Made this day of , 19
BETWEEN
hereinafter designated the lessor , and
hereinafter designated the lessee ,
WITNESSETH, That the said lessor do by these presents lease and demise unto the said lessee the following described real estate and premises, situate in the
of , in the County of
and State of Washington, to-wit:

with the appurtenances, for the term of from the
, day of , 19 ,
at the rent or sum
of Dollars ($)
payable in lawful money of the United States of America in advance,
on the day of each and every month during said term

AND IT IS HEREBY AGREED, That if any rent shall be due and unpaid, or if default shall be made in any of the covenants herein contained, then it shall be lawful for the said lessor to re-enter the said premises and remove all persons therefrom; and the said lessee do hereby covenant, promise and agree to pay the said rent in the manner hereinbefore specified; and not to let or underlet the whole or any part of the said premises nor assign this lease, or any interest therein, without the written consent of said lessor.

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And at the expiration of said term the said lessee will quit and surrender the said premises in as good state and condition as they now are, (ordinary wear and damage by the elements or fire excepted).

IN WITNESS WHEREOF, said corporation has caused this instrument to be executed by its proper officers and its corporate seal to be hereunto affixed this day of

.....

By.....
President

By.....
Secretary

.....

STATE OF WASHINGTON,
County of } ss.

On this day of , before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared and to me known to be the President and Secretary, respectively, of the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year in this certificate above written.

.....
Notary Public in and for the State of Washington, residing at

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SAFECO

Filed for Record at Request of

Name _____

Address _____

City and State _____

THIS SPACE RESERVED FOR RECORDER'S USE.

DEED OF TRUST

THIS DEED OF TRUST, made this _____ day of _____, 19 ___, between _____, Grantor, whose address is _____, SAFECO Title Insurance Company, a California Corporation, Trustee, whose address is 2615 4th Avenue, Seattle, Washington 98125, and _____, Beneficiary, whose address is _____.

WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in _____ County, Washington:

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which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of grantor herein contained, and payment of the sum of

_____ Dollars ($_____)

with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built or about to be built thereon; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.

2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens or encumbrances impairing the security of this Deed of Trust.

3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary as its interest may appear and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

DT-18 R5 1/76

(continued on reverse side)

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IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion thereof as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, (as amended), at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto or may be deposited (less clerk's filing fee) with the clerk of the superior court of the county in which sale takes place.

5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value.

6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. In the event of the death, incapacity, disability or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

8. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

_____

_____

_____

_____

STATE OF WASHINGTON
COUNTY OF _____ } ss.

On this day personally appeared before me _____ to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that _____ signed the same as _____ free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this day of _____, 19____

_____
Notary Public in and for the State of Washington residing at _____.

STATE OF WASHINGTON
COUNTY OF _____ } ss.

On this _____ day of _____, 19____, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____ and _____, to me known to be the _____ President and _____ Secretary, respectively of _____ the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _____ authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

_____
Notary Public in and for the State of Washington, residing at _____.

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when note has been paid.

TO: TRUSTEE.

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated _____, 19_____

_____

_____

Mail reconveyance to _____

BEST COPY AVAILABLE

MORTGAG.
(STATUTORY FORM FOR CORPL ATION)

WASHINGTON TITLE INSURANCE COMPANY
SEATTLE, WASHINGTON

Mail to

FORM L53

Mortgage

(STATUTORY FORM FOR CORPORATION)

THE MORTGAGOR

mortgage to

to secure payment of the sum of Dollars ($) and interest, according to the terms of promissory note bearing date, the following described real estate, situated in the County of State of Washington:—

BEST COPY AVAILABLE

And the mortgagor promises and agrees to pay before delinquency all taxes, special assessments and other public charges levied, assessed or charged against said described premises, and to keep all improvements on said described premises insured against loss or damage by fire in the sum of

Dollars, ($), for the benefit of the mortgagee and to deliver all policies and renewals to the mortgagee

In case the mortgagor shall fail to pay any installment of principal or interest secured hereby when due or to keep or perform any covenant or agreement aforesaid, then the whole indebtedness hereby secured shall forthwith become due and payable, at the election of the mortgagee

IN WITNESS WHEREOF, said mortgagor has caused this instrument to be executed by its proper officers and its corporate seal to be hereunto affixed this day of

.....

By.....
President.

By.....
Secretary.

STATE OF WASHINGTON. } ss.
County of

On this day of , before me, personally appeared and to me known to be the President and Secretary, respectively, of the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

.....
Notary Public in and for the State of Washington, residing at

LAW AND AGRICULTURE
IN WASHINGTON STATE
OWNERSHIP OF LAND
STUDY QUESTIONS
UNIT V

1. List and define the 2 types of estate land ownership
2. Describe the 4 major types of freehold land ownership
3. Explain the difference between the two types of life estates and explain the rights and responsibilities of a life tenant
4. What is the difference between joint ownership of property and tenancy in common?
5. (a) Explain the so-called "squatter rights." (b) What is the legal term for squatters rights?
6. How can ownership of land be gained by color of title?
7. (a) Compare the 2 types of legal instruments used to secure land by the lender when lending money. (b) How does a conditional sales contract compare to these two?
8. (a) What is the purpose of recording acts? (b) What is a bonafide purchaser and how does this relate to recording acts?
9. Define: Escheat
10. Explain the important points of "Eminent Domain" including "special benefits" and "special damages."
11. Describe the process of "dedication."
12. What is the purpose of zoning laws?

13. (a) Define: easement

    (b) Explain the 2 different types.

14. (a) List the ways to create an easement.

    (b) List the ways to terminate an easement.

15. Explain what a restrictive covenant is.

LAW AND AGRICULTURE
IN WASHINGTON STATE
OWNERSHIP OF LAND
UNIT V

SUGGESTED LEARNING ACTIVITIES

1. Obtain a copy of local zoning laws and discuss their purpose in class.
2. Obtain copies of various types of deeds and explain how they differ.
3. Have students bring in copies of mortgages and deeds of trust and discuss them including the various easements or restrictive covenants they may contain.
4. Invite a title company employee to explain his companies function and the types of things they must watch for.
5. Discuss instances of where the state has exercised its power of Eminent Domain in your area.
6. Find newspaper articles dealing with ownership of land and discuss their contents in class.

OWNERSHIP OF LAND
UNIT V
QUIZ

1. A _____ is a legal instrument or document used to transer ownership of land.

2. The power of the government to condemn private property and acquire ownership of it for public use is called _____.

3. To obtain ownership of land by "squatters rights" is legally referred to as the doctrine of _____.

4. Regulations of city and county ordinances which restrict the use of land is called _____.

5. An agreement which allows the use of private land for a specific purpose (such as access roads) or restricts what can be done with the land (such as limiting how tall a building can be put up) is called an _____.

6. Private land can be given to the public (such as is commonly done to avoid the cost of private road maintenance) through a process known as _____.

7. Describe "escheat."

8. If Joe defaults on his loan for some pasture land and the lender then assumes ownership and keeps all the money already paid, then we could assume a _____ contract probably existed.

9. (True or False) Joint ownership of property is automatically considered tenancy in common in our state unless a joint tenancy agreement exists. _____

10. (a) If a life tenant wishes to transfer his ownership to a farm to another person he would have to use a _____ deed to do so as his ownership is invalid upon his death.

    (b) This life estate then would change to a life estate _____ as it is measured by the lifespan of the old tenant not the lifespan of the new tenant.

11. List two legal instruments used to secure land as collateral for a loan.
    (a)
    (b)

LAW AND AGRICULTURE
IN WASHINGTON STATE
OWNERSHIP OF LAND
UNIT V
QUIZ ANSWER SHEET

1. deed

2. Eminent Domain

3. Adverse possession (also known as prescriptive right)

4. Zoning

5. Easement

6. Dedication

7. If a deceased peson with no known heirs or will owns property that ownership will pass to the state

8. Conditional sales contract

9. True

10. (a) bargain and sale
    (b) pur autra vie

11. (a) Mortgage
    (b) Deed of Trust

LAW AND AGRICULTURE
IN WASHINGTON STATE
WATER RIGHTS
UNIT VI

I. Introduction

A. Development of laws governing the use of water

1. Early development

a. Most laws were developed in early America

b. Most water was then obtained from naturally occurring surface water such as lakes and stream

2. Modern agriculture

a. Utilizes sophisticated technology to obtain water for irrigation

b. Wells and sruface reservoirs are commonly utilized

c. Laws had to change to regulate these water sources

B. Sources of Water

1. Riparian water is water found in lakes, rivers, and streams

2. Underground water obtainable through the use of wells

3. Surface drainage water collected in reservoirs

II. Water Rights System

A. Two basic systems used in our nation

1. Prior appropriation doctrine

a. Used in the dryer western United States

2. Riparian rights system

a. Used in the eastern United States, where water is generally more abundant

3. The state of Washington utilizes a combination of these two types of systems

B. Prior Appropriation System

1. The law of the first user

a. This system says that the rights to the water are dependent on who began using it first, second, etc.

2. This creates problems as more efficient ways to utilize and transport water are developed

C. Riparian Rights System

1. Limits water use to the land next to the water source

a. In Washington this only applies to non-navigable water sources

b. The state is the owner of the banks of navigable waterways up to the normal high water mark as well as the stream or lake bed

2. Each landowner may make reasonable use of the water

   a. This use includes water for household (domestic) use

   b. Drinking water for livestock

D. Determining Riparian Land

1. Washington employs the "chain of title doctrine"

   a. In this state only tracts of land originally established next to riparian water have rights to it

   b. Land obtained at a later date next to the original tract but not next to the water source, cannot use water from that source

   c. (example): Phil owns 100 acres along a stream. He may irrigate this land as it has always been kept in its original size tract of 100 acres each time it was sold. Glen sells Phil 50 acres next to his 100 acres but not adjoining the water source. Phil may not irrigate this new 50 acres from the stream as it was not part of the original tract of land. Any subsequent owners

are also restricted in this way

2. Unity of title doctrine
   a. Any land under the same ownership which contacts the water source may be irrigated from it
   b. Newly acquired land adjacent to the original tract which is adjoining the water source also has the right to use that water
   c. (example): If we modify the previous example, Phil would be able to irrigate the total 150 acres and not be limited to the original tract of 100 acres as under the "chain of title" doctrine
3. Under either system, all land must lie within the same water shed

E. Determining the allowable amount of usable water
1. Prior appropriation doctrine
   a. Landowners are limited to a specific quantity of water which they may use
2. Riparian rights doctrine
   a. Landowners may use any "reasonable" amount of water

b. If necessary the courts will decide what is reasonable under a certain set of circumstances

c. As circumstances change, the definition of reasnable also changes

F. Unreasonable uses of water

1. Damming water, thereby preventing it from flowing to landowners downstream who also rely on that water

2. Changing the stream bed so it no longer flows along the same land it originally did

G. Obtaining prescriptive right to water

1. An individual using water adversely to the rights of other landowners continuously for a period of 10 years, may obtain the right to continue to do so similar to the doctrine of adverse possession of land

2. This is one method of increasing the amount of water available under the prior appropriation doctrine

H. Covenant not to sue

1. One landowner may effectively buy the water rights of other landowners adjoining the water source

2. These other landowners agree not to sue the person buying the water rights as they

voluntarily gave up their rights to the use of the water

I. Resolving conflicts between the two systems

1. Generally the system first used by the original user of the water will be the doctrine followed

2. Today, new water rights are issued by permit from the State Department of Ecology

III. Use of Underground Water

A. Groundwater code

1. Enacted in Washington in 1945

2. This provides rights to groundwater by prior appropriation

3. These rights apply to all users from the same body of underground water

4. Subsequent users of this body of groundwater are limited to quantities of water which will not seriously deplete the water source

B. Some uses of groundwater not requiring an appropriative permit

1. Water for livestock

2. Water used for home lawns and gardens under one half acre in size

3. Domestic and industrial water use under 5000 gallons per day

IV. Surface Drainage Water

A. Water not in an established waterway

1. This includes flood water

B. Landowners may take steps to prevent water from damaging their property and may generally not be held liable for damage caused to property of others by doing so

C. Water already present on one persons land may not be pumped or drained onto land owned by another causing damage there

V. Public Water Rights for Recreational Purposes

A. The public does have a right to the use of larger bodies of water in Washington

1. These rights are unclear

2. Some lake and streambeds may be privately owned

a. The owner retains rights to the use of the water

3. It seems that it is commonly "assumed" that the public has the right to use certain bodies of water

a. For fishing, boating, swimming and other forms of recreation

SYSTEMS USED TO DETERMINE WATER RIGHTS

1. PRIOR APPROPRIATION

2. RIPARIAN RIGHTS

3. COMBINATION

LAW AND AGRICULTURE
IN WASHINGTON STATE
WATER RIGHTS
STUDY QUESTIONS
UNIT VI

1. Explain how water rights have developed and changed over time.
2. List the 3 primary sources of water.
3. (a) List the 2 types of water rights systems employed in our nation and tell where they are used.

   (b) What system is used in our state?
4. Describe the differences between the 2 systems of determining who has rights to water.
5. (a) List the major points of the chain of title doctrine.

   (b) Compare the unity of title doctrine to this.
6. How is it determined who may use how much water?
7. Explain how one may obtain prescriptive right to water use.
8. How is use of underground water regulated?
9. What principles control the use of surface drainage water?
10. What gives the public the right to use water for recreational purpose?

LAW AND AGRICULTURE
IN WASHINGTON STATE
WATER RIGHTS
UNIT VI

SUGGESTED LEARNING ACTIVITIES

1. Invite a county or state official to speak to the class about water rights in your area.
2. Have students find out what rights they have to water use on their property.
3. Have a private landowner who owns a body of water discuss his rights and problems associated with its ownership.
4. Contact the State Department of Ecology to find out what steps to take before a well may be drilled.
5. Look for newspaper and magazine articles concerning water rights or the use of water.

LAW AND AGRICULTURE
IN WASHINGTON STATE
WATER RIGHTS
UNIT VI
QUIZ

1. (a) List 2 basic systems used in our nation to determine the right to water use.

   (b) Which system is used in the state of Washington?

2. Describe how to obtain prescriptive right to water use.

3. (True of False) You may not buy or sell water rights.
   _____

4. How are rights to the use of ground water determined?

5. List 2 situations where use of ground water does not require a permit.
   (a)
   (b)

6. Which state agency is responsible for issuing water rights?

7. A landowner has land bordering a river which he irrigates from the river. He then purchases land adjoining his original tract but not adjoining the river and finds he can legally irrigate the new land. He is then following the _____ doctrine of water rights.

8. Explain the chain of title doctrine for determining water rights.

9. Water found in lakes, rivers, and streams is called _____ water.

10. Surface drainage water collected in reservoirs falls under the classification of riparian water. (True or False) _____.

LAW AND AGRICULTURE
IN WASHINGTON STATE
WATER RIGHTS
UNIT VI
QUIZ ANSWER SHEET

1. (a) Prior appropriation system, riparian rights system.
   (b) a combination of both systems.

2. Using water you have no right to for a period of 10 years adversely to the rights of other landowners.

3. False

4. Prior appropriation system

5. Watering livestock or watering home lawns and gardens under one half acre in size or using less than 5000 gallons of water per day for domestic (household) or industrial use.

6. Washington State Department of Ecology

7. Unity of Title

8. Only tracts of land originally established next to riparian water have rights to it.

9. Riparian

10. False

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LAW AND AGRICULTURE
IN WASHINGTON STATE

GLOSSARY

agent: A person with the authority to transact business for an employer such as a manager.

assessment: To set a value on something for the purpose of taxation.

at law: Court cases which ask for the recovery of property or payments of money damages.

bailment: A situation created when equipment or other property is rented or borrowed.

civil suit: A lawsuit between private individuals.

common law: The accepted rules of society. Often laws that have been commonly followed since the days of early England.

consideration: That which is given in exchange in a contract such as payment or a trade.

contract rescission: The cancellation of an existing contract.

Covenant: An agreement to do or not to do something.

criminal suit: A lawsuit brought by some authority such as the state or federal government against a person or persons.

dedication: The act of giving privately owned land to the public.

deed: A legal document used to transfer ownership of land.

easement: The legal right to use another person's property for a specified purpose.

escheat: The states right to receive ownership of privately owned land left in an estate for which there are no heirs.

estate: The property of a deceased person.

felony: A serious crime such as murder or robbery.

heir: The person or persons who are to receive ownership of the property of a deceased person.

implied contract: A contract that is assumed to exist because of the actions of the parties involved.

independent contractor: A person hired to perform a specific task in any acceptable fashion they deem appropriate.

in equity: Court cases which ask for some action or the cessation of some action instead of recovery of property or payment of money damages.

injunction: A court order prohibiting a person or persons from acting in a certain manner.

invitee: A person on private property either with expressed permission or implied permission.

jurisdiction: Involves 3 areas that a court or legal entity has control over including geographical region, type of cases or subject matter, and type of persons or property.

licensee: A person on private property with permission but not there for the benefit of the landowner.

mandamus: An order from a higher court requiring a judge of a lower court to do something.

novation: Substituting a new contract for an old one.

nuisance: Any occurrence which interferes with the right of another to enjoy their property in the usual fashion.

ordinance: A governmental (usually municipal) regulation.

petit jury: A legal body consisting of 12 people who decide guilt or innocence in a trial.

precedent: Court decisions of the past which are used as a guide in deciding current court cases.

probate: The process of dealing with the estate of a deceased person.

quo warranto: A legal procedure that has the purpose of preventing some person or body from exercising authority they do not legally have.

riparian water: Water found in permanent lakes, rivers, and streams. Not to be confused with surface drainage water which only collects when there is excess precipitation.

servant: An employee who is directly supervised in the performance of their job such as a farm worker.

statutes: A legislative act which requires, prohibits, or declares something.

tax: A compulsory payment levied on income, property, etc., for support of a government.

tenant: A person who resides on property but does not own it.

tort: A civil wrong doing. A relatively minor infraction of the law.

treaty: Any agreement or contract especially a peace agreement between nations.

trespasser: A person on private property without permission and for his or her benefit alone.

venue: The geographical area a court has control over.

zoning: Regulations which limit, restrict, or regulate the use of land.

LAW AND AGRICULTURE
IN WASHINGTON STATE

TEST

Instructions: Select the answer which most correctly answers the question. Write the letter corresponding to the answer in the space provided. (52 points)

_____ 1. The purpose of law in our society is to
a) prevent disputes
b) entrap criminals
c) settle disputes
d) decide guilt or innocence
e) both a and c are correct

_____ 2. "Common Law" is the generally accepted rules of society.
a) True
b) False

_____ 3. The federal court system is made up of
a) District courts
b) Justice courts
c) Circuit courts of appeal
d) The U. S. Supreme Court
e) a, c, and d are correct

_____ 4. The state court system is made up of
a) Justice courts
b) Superior courts
c) Court of Appeals
d) State Supreme court
e) all of the above are correct

_____ 5. The purpose of a grand jury is to
a) decide guilt or innocence
b) decide whether a trial is warranted
c) set legal precedent
d) decide if a change of venue is necessary
e) none of the above is correct

_____ 6. In order for a contract to be valid it must be entered into with a person who is legally competent,
a) the agreement and performance must be legal
b) an offer to do or not do something must exist
c) the offer must be accepted
d) each party to the contract must give up something and receive something of value (consideration must be made)
e) all of the above are elements of a contract

_____ 7. Oral contracts are never as legally binding as written contracts even if they can be proven to exist
a) True
b) False

_____ 8. The following is an example of a tort.
a) bailment
b) negligence
c) escheat
d) joint tenancy
e) all of the above are torts

_____ 9. To libel someone is to make spoken public statements which damage a persons reputation.
a) True
b) False

_____ 10. To prevent someone from using or getting enjoyment from the use of their property by creating an annoying condition is called
a) slander
b) negligence
c) nuisance
d) eminent domain
e) both b and c

_____ 11. An area where livestock is allowed to roam free and landowners must fence animals out if they wish to keep them out.
a) open range area
b) stock restricted area
c) closed range area
d) both b and c
e) none of the above

_____ 12. It is unlawful in the state of Washington to knowingly sell diseased livestock.
a) True
b) False

_____ 13. It is illegal in the state of Washington to keep an animal known to be vicious or unruly.
a) True
b) False

_____ 14. People who move in next to an existing nuisance such as a poultry farm or feed lot can never bring a nuisance lawsuit against the operation if it was there first.
a) True
b) False

_____ 15. A life tenant may not change the nature of a business operated on a piece of property in any significant way even if it does not injure the property.
a) True
b) False

_____ 16. If the ownership of each co-owner in a partnership or other type of joint ownership is inheritable by the heirs of a deceased co-owner a _____ exists.
a) joint tenancy
b) life tenancy
c) life estate
d) tenancy in common
e) both a and d are correct

_____ 17. If a life tenant wishes to convey ownership of the land to another he/she should use a(n) _____.
a) warrant deed
b) quit-claim deed
c) bargain and sale deed
d) all of the above will work
e) a life tenant cannot transfer his or her rights of ownership

_____ 18. A legal instrument used to secure property when borrowing money against the value of land is called a(n)
a) mortgage
b) deed of trust
c) bargain and sale deed
d) both a and b
e) none of the above

_____ 19. Making leins against property (claims to the land such as security interest) public knowledge is made possible by
a) recording acts
b) being a bonafide purchaser
c) eminent domain
d) prescriptive rights
e) both a and c are correct

_____ 20. If the land set aside for an easement is not used by the dominant tenant for ten years or is used by the servient tenant so the dominant tenant cannot use it for at least 10 years the easement will be terminated.
a) True
b) False

_____ 21. If a clause in a contract to sell land restricts future ownership of the land only to those not of Italian or Irish descent does a valid restrictive covenant exist?
a) True
b) False

_____ 22. Washington uses only the riparian rights system to determine who has rights to water usage.
a) True
b) False

_____ 23. The riparian water rights system allows reasonable use of water for domestic purposes for all landowners along the water source.
a) True
b) False

_____ 24. Use of ground water is not regulated and anyone may drill a well and use it.
a) True
b) False

_____ 25. The public has clearly defined rights to use larger bodies of water for recreational purposes in the state of Washington.
a) True
b) False

_____ 26. Use of water may be obtained by
a) prescriptive right
b) purchasing water rights
c) government permit
d) all of the above
e) both b and c

Instructions: Place the letter corresponding to the correct answer in the space provided by the question number. (32 pts.)

AA	deed	II	escheat
BB	Conditional sales contract	JJ	prior appropriation
CC	life estate pur autra vie	KK	dedication
DD	riparian	LL	fee simple absolute
EE	squatters rights	MM	zoning
FF	eminent domain	NN	life tenant
GG	restrictive covenant	OO	easement
HH	leasehold	PP	joint tenancy

_____ 27. A lease that will last a certain length of time is called a _____ interest in land.

_____ 28. The greatest ownership in land giving the landowner the right to buy, sell, lease or use the land in any legal way is called _____.

_____ 29. When continued ownership of land is based on the lifespan of a person other than the person using the land this type of ownership is called a(n) _____.

_____ 30. A person who has ownership of land for as long as he or she shall live is called a(n) _____.

_____ 31. If two or more people have ownership of a piece of property and each co-owner has the right of survivorship if one should die this is called _____.

_____ 32. Adverse possession of land by prescriptive right or obtaining land by using it to the detriment of the landowner is commonly referred to as _____.

_____ 33. A'n) _____ is a legal instrument used to convey (transfer) ownership in property.

_____ 34. If a lender retains ownership of property until the loan is repaid and the lender may retain ownership and all payments already made if the loan is defaulted upon a(n) _____ exists.

_____ 35. The power of the government to acquire ownership of private property for the good of the public is called _____.

_____ 36. The right of the state to gain ownership to property because no will is left by a deceased landowner and there are no known heirs is called _____.

_____ 37. If a group of landowners wish to give a private road, passing through their property, to the government to relieve themselves of maintenance expenses they may possibly do so by the process of _____.

_____ 38. Regulations which restrict the use of land such as limiting land to residential use is called _____.

_____ 39. The right of the utility company to run power lines across your property may be obtained by the granting of a(n) _____.

_____ 40. If a clause in a land sale contract restricts the use of land such as requiring it to always be farmland a(n) _____ exists.

_____ 41. Water found in lakes and streams is called _____ water.

_____ 42. When the law pertaining to water use depends upon who began using it first, the _____ system is being used.

Instructions: Match the term or phrase with the statement that most correctly identifies or describes it. (52 pts.)

43. _____ novation
44. _____ contract rescission
45. _____ criminal suit
46. _____ assault
47. _____ licensee
48. _____ civil suit
49. _____ independent contractor
50. _____ bailment
51. _____ legal brief
52. _____ invitee
53. _____ substantial performance
54. _____ agent
55. _____ battery
56. _____ implied contract
57. _____ fraud
58. _____ injunction
59. _____ precedent
60. _____ change of venue
61. _____ torts

a) a court decision which is used to help decide future cases and provide consistency to the law
b) a contract is fulfilled even though if not exactly as specified in the agreement
c) to knowingly deceive someone with intent to profit from that deception
d) a threat to cause injury to someone
e) a person with authority to manage a business or transact business for an employer
f) it is common knowledge you allow the public to hunt ducks on your pond, this is an example of _____
g) to change the geographical location of a court proceeding
h) an employer has the least amount of liability for a(n) _____
i) cancellation of a contract
j) twelve impartial people who determine facts and make a decision based on those facts
k) to intentionally cause injury to someone
l) allowing the use of equipment expecting it to be returned as in renting or borrowing

62. _____ implied consent

63. _____ zoning

64. _____ jurisdiction

65. _____ stock restricted area

66. _____ breach of contract

67. _____ attractive nuisance

68. _____ petit jury

m) a court order to stop a nuisance or some other activity

n) a lawsuit brought by a government agency against an individual

o) the region subject or people a court has control over

p) contracts which are assumed to exist even though no formal agreement existed

q) not fulfilling the terms of a contract

r) business visitors such as salesmen would be classified as a(n) _____

s) an area where cattle must be fenced in by their owners

t) laws which regulate the use of land

u) a short summary describing the important parts of a case

v) a special doctrine dealing with the inability of children to recognize unsafe conditions

w) a person who asks your permission to hunt on your property would be classified as a(n) _____

x) replacing an old contract with a new one

y) relatively minor wrongs against society

z) a law suit between two people

Instructions: Answer the questions as clearly and completely as possible. (10 pts.)

69. Explain how common law came about and why it and other laws change through time.

70. Explain why competent legal advice should be obtained in any situation dealing with the law or the use of legal instruments.

TEST ANSWER SHEET

1.	3	18.	d	35.	FF	52.	r
2.	a	19.	a	36.	II	53.	b
3.	e	20.	a	37.	KK	54.	e
4.	e	21.	b	38.	MM	55.	k
5.	b	22.	b	39.	OO	56.	p
6.	e	23.	a	40.	GG	57.	c
7.	b	24.	b	41.	DD	58.	m
8.	b	25.	b	42.	JJ	59.	a
9.	b	26.	d	43.	i	60.	g
10.	c	27.	HH	44.	x	61.	y
11.	a	28.	LL	45.	n	62.	f
12.	a	29.	CC	46.	d	63.	t
13.	b	30.	NN	47.	w	64.	o
14.	b	31.	PP	48.	z	65.	s
15.	b	32.	EE	49.	h	66.	q
16.	d	33.	AA	50.	l	67.	v
17.	c	34.	BB	51.	u	68.	j

69. "Common Law" is the accepted rules of society. As society changes common law changes to meet the needs of society. Laws of all kinds are created to serve the people of society so the law evolves to serve the needs of a changing society.

70. An attorney should always be consulted in any legal matter. Lawyers are constantly updating themselves on changing laws and new legal precedents. Only a professional can offer current accurate assistance in legal matters or in the correct and legal use of legal instruments.